
COOPER DISCUSSES REAL FINANCIAL REPORT OF U.S. WITH WALL STREET JOURNAL EDITORIAL PAGE

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NEW YORK-Congressman Jim Cooper recently visited with the Editorial Page of the Wall Street Journal to discuss the true nature of America's deficit, long-term financial obligations and growing dependence on foreign creditors.

Cooper explained to Assistant Editorial Page Editor James Freeman that the \$163 billion deficit number that President Bush and administration officials like to use is based on cash accounting, not the accrual accounting that is the gold standard in the private sector.

Video of Cooper's discussion with Freeman is available [here](#).

Using cash accounting produces terribly misleading figures on the deficit, Cooper said. The use of accrual accounting would yield deficit at least \$200 billion larger because it would include the borrowing every year from the social security trust fund.

"But it's even larger than that if you count federal employee retirement and health benefits," Cooper continued. "Right now the federal government isn't even accounting for the retirement benefits for our own employees. That would put you in jail in or prison in the private sector."

"A single, standalone McDonalds has a tougher accounting standard than the Pentagon or the federal government," Cooper said.

Cooper also explained that the Financial Report of the United States, an official document produced by the government's top auditor and signed by the Treasury Secretary-which uses real accounting-shows a deficit of at least \$700 billion.

"These are the real numbers. And they are so scary that no politician in Washington wants you to know about them," said Cooper.

Cooper, along with Rep. Frank Wolf (R-VA), has sponsored a bill to get the nation's fiscal house in order through the establishment of a bipartisan, 16-member commission that would come up with a plan to start balancing the government's future spending promises and revenues. Current projections show a \$50 trillion gap between what the nation is earning and what we've promised to spend on Social Security, Medicare, Medicaid and Veterans benefits. The SAFE Commission Act currently has 75 co-sponsors, the support of both Democratic and Republican House leaders and the backing of a number on non-partisan experts on the budget.

